

# TREASURY NEWS



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Remarks by Secretary of the Treasury  
James A. Baker, III  
At the Ceremony  
For the Gold Bullion Coin First Strike  
West Point, New York  
Monday, September 8, 1986

It is a pleasure to be with you all today.

The writer Q. David Bowers has called gold that "precious, rare, beautiful, glamorous, and nearly indestructible element." Because it has such qualities, gold has long been a source of fascination and an object of financial security. The metal which brings us here today has its roots far back into the mists of time.

Ancient Egypt, for example, was sustained by its gold mines in the Nubian Desert. And according to one scholar, the Greek myth of the Argonauts who searched for the Golden Fleece "probably has its origin in a raid upon miners who were using sheepskins to catch fragments of gold, just as some modern gold washing has employed blankets."

Centuries later, of course, the American hemisphere attracted many who had hopes of finding gold. "El Dorado" the Spanish called it, as they sought the legendary Seven Cities filled with precious metals. The cities had supposedly been built by seven bishops who fled from invaders of the Iberian peninsula in 734 A.D.

And, later, in the United States, prospectors "rushed" to far-flung parts of the wilderness to dig dangerous mines or wade through icy mountain creeks. Though some gold towns became ghost towns, many gold-hunters settled down and built thriving permanent communities in California, Colorado and Alaska.

Incidentally, the first significant strike in America was not where one might expect. In 1849, residents in Dahlonega, Georgia, feared that the West Coast gold rush would lure the miners away from Dahlonega's gold mines. From their predicament rose the now-famous cry -- "but there's gold in them thar hills" -- the hills of Georgia, that is.

Today is another important day in the history of gold. As Kay Ortega and Donna Pope illustrated, the American people now have an opportunity they've never had before -- to buy gold bullion coins produced in America. This program opens up new markets and new possibilities. It is a new way to invest in America, to buy something that American labor and industry produces.

And, to look at it from another perspective, the program is an example of the financial cooperation between the government and the people that has often been so influential. Like the public bonds that finance buildings, education, and defense efforts, like the recent Statue of Liberty Commemorative Coin, like all these programs, this coin program today fills a need. It is a partnership between the private and public sectors that aims to make a better society.

Now, speaking of partners, I want to join Kay and Donna in expressing my appreciation for what many of you here have done to make the program possible. The bill that Representative Lewis introduced, H.R. 1123, was an important catalyst toward the passage of the legislation giving Americans the chance to buy gold coins. And I also want to commend Representatives Fish and Gilman for their valuable and enthusiastic support of Treasury's coin programs.

To give an analogy -- those of you who are familiar with the technique of panning for gold know that it is arduous and time-consuming work. One has to sift through a lot of mud, pebbles and sand before it is possible to shake loose a few gold flakes at the bottom of the pan. But those shiny little specks make the effort worth all the trouble.

Likewise, I know you have put in a great deal of work on this program, but the benefits, as we have heard today, are surely worth it.

As for myself, I am delighted to be part of the program by striking this first gold coin. If California can have a gold strike, so can West Point...